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Lisa C. Tidwell

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TOWNSEND AND TOWNSEND AND CREW, LLP
TWO EMBARCADERO CENTER
EIGHTH FLOOR
SAN FRANCISCO, CA 94111-3834

EXAMINER

HOLLY, JOHN H

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/731,212	Applicant(s) TIDWELL ET AL.	
	Examiner JOHN H. HOLLY	Art Unit 3694	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 05 June 2008.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-12 and 16-32 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-12 and 16-32 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

This Office Action is in response to an AMENDMENT entered 06/05/2008 for the patent application 10/731,212.

Status of Claims

Claims 1 – 32 are pending in the Application.

Claims 13 – 15 have been cancelled in the Application.

Response to Arguments

Applicant's arguments filed June 05, 2008 with respect to claims 1-12 and 16-32 have been fully considered but are moot in view of the new ground(s) of rejections.

A review of the claims and updated search necessitated the rejections below.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 10-12 and 16-24 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Claims 10-12 and 16-24 recite method directed to purely mental steps. In order for a method to be considered a "process" under §101, a claimed process must either: (1) be tied to another statutory class (such as a particular apparatus) or (2) transform underlying subject matter (such as an article or materials). *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*,

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409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-788 (1876). If neither of these requirements is met by the claim, the method is not a patent eligible process under §101 and is non-statutory subject matter. Thus, to qualify as a statutory process, the claim should positively recite the other statutory class (the thing or product) to which it is tied, for example, by identifying the apparatus that accomplishes the method steps, or positively recite the subject matter that is being transformed, for example, by identifying the material that is being changed to a different state.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1 - 12 and 16 - 32 are rejected under 35 U.S.C. 103(a) as being unpatentable over Randy Templeton et al. (Pub. # US 2003/0130919 A1 – herein referred to as Templeton) in view of David W. Deaton (Pub. # US 2002/0073019 A1 – herein referred to as Deaton).

As per claim 1,

Templeton disclosed an apparatus that scores risk associated with accepting a payroll check issued by an employer to an employee and presented to a check-cashing entity for cashing, the apparatus comprising:

a computer processor configured to receive information about a payroll check issued by an employer to an employee and presented to a check-cashing entity for cashing, the computer processor further configured to determine a risk score associated with accepting the check, the risk score being based at least in part on information from the database indicative of the proximity of the employer to the check-cashing entity (Templeton, [0102], [0107 - 0108]).

However, Templeton does not expressly disclose an apparatus that scores risk associated with accepting a payroll check issued by an employer to an employee and presented to a check-cashing entity for cashing, the apparatus comprising:
a database that stores geographic-related information about employers.

In a similar field of endeavor, Deaton discloses a database that stores geographic-related information about employers (Deaton, [0109], [0130], [0209]).

In light of the teaching of Deaton, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the apparatus of Templeton wherein a database that stores geographic-related information about employers as recited in claim 1.

This modification would provide for updating customer database both local and global. Customer's database is continually updated with local customer information, either automatically through processing check transactions or through operator - input of customer status information. This modification would also provide to be an asset with respect to improved security of check and balance of transaction processing.

As per claim 2,

Templeton disclosed the apparatus of Claim 1, wherein the database stores the geographic-related information about the employers as at least one of the set consisting of:

a street address, city name, county name, state name, country name, region name, zip code, time zone, and metropolitan statistical area (MSA) (Deaton, [0209]).

The rationale for support motivation and obviousness and reason to combine see claim 1 above.

As per claim 3,

Templeton disclosed the apparatus of Claim 1, wherein the database further stores geographic - related information about the check-cashing entity (Deaton, [0028], [0108]).

The rationale for support motivation and obviousness and reason to combine see claim 1 above.

As per claim 4,

Templeton disclosed the apparatus of Claim 3, wherein the computer processor is further configured to determine a risk score indicative of higher risk when the geographic-related information indicates that the employer and the check-cashing entity are located at a greater distance from one another, and to determine a risk score indicative of lower risk when the geographic-related information indicates that the employer and the check-cashing entity are located at a lesser distance from one another (Templeton, claims 63 and 74).

As per claim 5,

Templeton disclosed an apparatus that scores risk associated with accepting a check issued by a first party to a second party and presented for cashing by a check-presenter claiming to be the second party, the apparatus comprising:

a database that stores geographic-related information about check issuers (Deaton, [0109], [0130], [0209]); and

a computer processor configured to receive information about a check issued by a check issuer to a second party and presented to a check-cashing entity for cashing, the computer processor further configured to determine a risk score associated with accepting the check, the risk score being based at least in part on geographic-related information from the database associated with the check issuer (Templeton, [0102], [0107 - 0108]).

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The rationale for support motivation and obviousness and reason to combine see claim 1 above.

As per claim 6,

Templeton disclosed the apparatus of Claim 5, wherein a check issuer is at least one of the set consisting of:

a government entity, a business entity, a financial entity, and an employer (Deaton, [0027], [0050]).

The rationale for support motivation and obviousness and reason to combine see claim 1 above.

As per claim 7,

Templeton disclosed the apparatus of Claim 5, wherein the computer processor is further configured to determine the risk score based at least in part on geographic-related information about the check-cashing entity (Deaton, [0028], [0108]).

The rationale for support motivation and obviousness and reason to combine see claim 1 above.

As per claim 8,

Templeton disclosed the apparatus of Claim 7, wherein the computer processor is further configured to determine the risk score based at least in part on a comparison between the geographic-related information associated with the check issuer and the geographic-related information about the check-cashing entity (Templeton, fig. 11, [0072 - 0073]).

As per claim 9,

Templeton disclosed the apparatus of Claim 5, wherein the computer processor is further configured to determine the risk score based at least in part on rules agreed upon by the check-cashing entity and by a check authorization system that scores the risk (Templeton, [0070 - 0071]).

As per claim 10,

Templeton disclosed a method of scoring risk associated with a check transaction, the method comprising:

receiving information about a check issued by a check issuer to a second party and presented to an entity in association with a check transaction (Templeton, [0172]);

accessing geographic-related information about the check issuer (Deaton, [0109], [0130], [0209]);

and determining a risk score associated with the check transaction, based at least in part on the geographic-related information associated with the check issuer (Deaton, [0028], [0108]).

The rationale for support motivation and obviousness and reason to combine see claim 1 above.

As per claim 11,

Templeton disclosed the method of Claim 10, further comprising determining the risk score associated with the check transaction based at least in part on positive pay information associated with the check (Templeton, [0073], [0170]).

As per claim 12,

Templeton disclosed the method of Claim 10, further comprising determining the risk score associated with the check transaction based at least in part on biometric information obtained from an individual presenting the check in association with the check transaction (Templeton, [0049]).

As per claim 16,

Templeton disclosed a method that scores risk associated with a proposed financial transaction, the method comprising:

receiving information about an issuer of a negotiable instrument issued to a second party and presented in association with a proposed financial transaction

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(Templeton, [0172]);

accessing geographic-related information associated with the issuer of the negotiable instrument (Deaton, [0109], [0130], [0209]); and

determining a risk score associated with the proposed financial transaction based at least in part on the geographic-related information about the issuer

(Templeton, [0102], [0107 - 0108]).

The rationale for support motivation and obviousness and reason to combine see claim 1 above.

As per claim 17,

Templeton disclosed the method of Claim 16, wherein accessing geographic-related information comprises accessing a repository of stored geographic-related information associated with issuers of negotiable instruments (Templeton, [0080]).

As per claim 18,

Templeton disclosed the method of Claim 17, further comprising requesting additional geographic-related information about the issuer of the negotiable instrument if the repository does not hold desired information about the issuer (Templeton, [0081- 82]).

As per claim 19,

Templeton disclosed the method of Claim 18, further comprising updating the repository with the requested additional geographic-related information associated with the issuer of the negotiable instrument (Templeton, [0080 - 81]).

As per claim 20,

Templeton disclosed a computerized method for determining whether to authorize the payment of a check presented to an entity, the method comprising:

obtaining geographic information about an issuer of a check issued to a second party and presented to an entity by a check presenter (Templeton, claims 63 and 74);

comparing the geographic information with data about the location of the entity

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(Templeton, [0102], [0107 - 0108]);

determining a risk score based at least in part on the comparison (Templeton, [0086]);

and

determining based at least in part on the risk score whether to authorize the payment of the check (Templeton, [0147 - 0154]).

As per claim 21,

Templeton disclosed the computerized method of Claim 20, wherein obtaining geographic information about the check issuer comprises using information from magnetic ink character recognition (MICR) line on the check to access stored geographic information about the issuer of the check (Templeton, [0088]).

As per claim 22,

Templeton disclosed the computerized method of Claim 20, wherein comparing the geographic information with data about the location of the entity comprises determining a proximity- based categorization based on the proximity of a location associated with the check issuer to the location of the entity (Templeton, [0091], [0093], [0112]).

As per claim 23,

Templeton disclosed the computerized method of Claim 20, wherein comparing the geographic information with data about the location of the entity comprises calculating a distance between a location associated with the check issuer and the location of the entity (Templeton, [0137]).

As per claim 24,

Templeton disclosed the computerized method of Claim 23, wherein determining a risk score based at least in part on the comparison comprises determining a risk score indicative of lower risk when the calculated distance is smaller and determining a risk score indicative of higher risk when the calculated distance is greater (Templeton, [0085], [0170]).

As per claim 25,

Templeton disclosed a computerized system that determines whether to authorize a proposed check transaction, the system comprising:

a database of information about check issuer locations

(Templeton, [0102], [0107 - 0108]); and

a computer processor configured to obtain data about an issuer of a check issued to a second party and presented at a check-cashing entity in association with a proposed check transaction, the computer processor further configured to use the data about the check issuer to access information stored in the database to determine a risk score based at least in part on the accessed information, and to determine based at least in part on the risk score whether to authorize the proposed check transaction

(Templeton, [0070 - 0071], [0073]).

As per claim 26,

Templeton disclosed a system for scoring risk associated with a check-cashing transaction, the system comprising: means for receiving information about a check issued by a check issuer to a second party and presented to a check-cashing entity for cashing (Templeton, [0102], [0107 - 0108]);

means for accessing geographic-related information about the check issuer

(Deaton, [0209]); and

means for determining a risk score associated with the check-cashing transaction, based at least in part on the geographic-related information associated with the check issuer (Deaton, [0028], [0108]).

The rationale for support motivation and obviousness and reason to combine see claim 1 above.

As per claim 27,

Templeton disclosed the system of Claim 26, further comprising:

means for accessing geographic-related information about the check-cashing entity

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(Deaton, [0109], [0130], [0209]); and

means for comparing the geographic-related information associated with the check issuer and the geographic-related information about the check-cashing entity (Templeton, [0086], [0088]).

The rationale for support motivation and obviousness and reason to combine see claim 1 above.

As per claim 28,

Templeton disclosed the system of Claim 27, further comprising means for using the comparison to determine a measure of proximity associated with the check-cashing transaction (Templeton, [0102], [0107 - 0108]).

As per claim 29,

Templeton disclosed the system of Claim 28, further comprising means for determining a location- related risk score based at least in part on the measure of proximity (Templeton, [0027], claim 35, claim 74).

As per claim 30,

Templeton disclosed the system of Claim 29, wherein the means for determining a risk score associated with the check-cashing transaction comprise determining the check cashing transaction risk score based at least in part on the location related risk score (Templeton, [0027], claim 35, claim 74).

As per claim 31,

Templeton disclosed the system of Claim 30, wherein the means for determining a risk score associated with the check-cashing transaction further comprise basing the check-cashing transaction risk score at least in part on positive pay information about the check (Templeton, [0018], [0024], [0106]).

As per claim 32,

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Claim 32 is a system claim corresponding to method claim 12. Therefore, claim 32 is analyzed and rejected as previously discussed with respect to claim 12.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JOHN H. HOLLY whose telephone number is (571)270-3461. The examiner can normally be reached on Mon. - Fri. 8 AM to 5 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammell can be reached on (571)272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/J. H. H./

Examiner, Art Unit 3694

/Mary Cheung/

Primary Examiner, Art Unit 3694